

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE BAYOU HEDGE FUND INVESTMENT
LITIGATION

06 MD 1755 (CM)

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THIS DOCUMENT RELATES TO:
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SOUTH CHERRY STREET, LLC,

Plaintiff,

No.: 06-cv-02943 (CM)

vs.

HENNESSEE GROUP LLC,
ELIZABETH LEE HENNESSEE and
CHARLES GRADANTE

DECLARATION OF
CHARLES GRADANTE

Defendants.

Electronically Filed

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

Pursuant to 28 U.S.C. § 1746(2) (2004), I declare under penalty of perjury that the foregoing is true and correct:

1. My name is Charles Gradante. I am more than 18 years of age and understand the nature and obligation of an oath. I have personal knowledge of the facts and statements contained in this Declaration and each of them is true and correct. I am a managing principal of Hennessee Group, LLC.
2. I submit this Declaration in support of the Motion to Dismiss the Amended Complaint filed by Hennessee Group, LLC, Elizabeth Lee Hennessee and me for the purpose of authenticating documents referenced in the Amended Complaint.
3. In the Amended Complaint, Plaintiff alleges that Hennessee Group provided Plaintiff's principal, Fred Groothuis, with a document titled "Hennessee Hedge Fund Advisory Group Investor Presentation." ("Investor Presentation"). Plaintiff alleges that this document was delivered to Plaintiff and contains a series of detailed

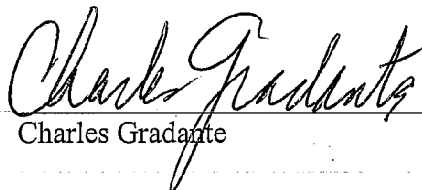
declaration of gradante-mtd amended comp.doc

representations regarding Hennessee Group's due diligence process. Plaintiff further alleges, as set forth in the Amended Complaint, that the Investor Presentation contains the same representations allegedly made to Bollman. As evidenced by the actual language of the Investor Presentation, both of these allegations are incorrect. A true and correct copy of the Investor Presentation is attached hereto as Exhibit A.

4. In the Amended Complaint, Plaintiff alleges that Hennessee Group provided Plaintiff with false performance figures for the Bayou Accredited Fund, LLC, inaccurately reporting an appreciation of Plaintiff's investment. This information, which was provided to Hennessee Group client Craig Bollman, was contained within Statements of Cash Flow and Performance Monitors. True and correct copies of the Statements of Cash Flow and Performance Monitors are attached hereto as Exhibits B & C, respectively.

Under penalties of perjury, I declare that I have read the foregoing and that the facts stated herein are true.

Executed on April 3, 2007


Charles Gradante